



Representative

Kirk Pearson • 39th District

2002 Session-End Report

The Good, the Bad and the Ugly

May 2002

House Committees:

Appropriations
Natural Resources

***Contact me if you
have questions,
comments,
or ideas!***

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Dear Neighbors,

The 60-day legislative session which finished March 14 could likely best be described as a session of the good, the bad and the ugly.

Legislation I introduced last year to toughen laws against eco-terrorism acts finally made it through the Legislature this year. This was an important victory in a year when we entered the legislative session with a \$1.6 billion budget deficit.

To address the budget problem, I felt that we should prioritize spending, cut middle-management bureaucracy in Olympia, and protect front-line services for families, senior citizens and the most vulnerable.

Instead, we ended up with a budget that makes major cuts to critical services, protects bureaucracy, and uses a patchwork of borrowed money and one-time revenues to pay for ongoing expenses.

This newsletter outlines some of the major activities of the 2002 session and how I voted on these issues and why.

As always, I'm interested in your thoughts and comments on these or other issues of concern. I appreciate the honor of serving you.

Sincerely,

Kirk Pearson
State Representative

THE GOOD

Eco-terrorism sabotage bill approved

The measure I introduced last year to tighten our state's laws against acts of sabotage made it through the Legislature this year and was signed into law.

House Bill 1938 will allow courts to impose longer sentences against those convicted of engaging in certain acts of sabotage.

I authored the measure after equipment was sabotaged at Pacific Logging's operations in Marblemount. I was concerned about similar acts of sabotage, such as the release of animals from mink farms in the Arlington area.

The measure gained more attention after an eco-terrorist group claimed responsibility for an arson last May at the University of Washington's Center for Urban Horticulture.

Under the bill, courts may consider imposing a sentence beyond the standard range when a defendant has been convicted of an act to intentionally obstruct or impair human health care, animal health care, agricultural research, forestry research or commercial production.

No one should live in fear of a campaign of intimidation and terrorism. There are legal avenues for reform. Sabotage is not one of them.

It's my hope that this legislation sends a clear message that eco-terrorism and sabotage will not be tolerated. Those who engage in these activities will pay the price.

Representative **KIRK PEARSON • 39th District**

THE BAD

Accounting tricks in state budget raise stakes – and debt – for taxpayers

To the surprise of few, the state operating budget adopted by the Legislature last June turned out to be fiscally unsound. The budget spent \$700 million more than revenue coming in when it was adopted and, as the state's economy continued its predicted slide, lawmakers were forced back to the drawing board to bring the budget back into balance.

This session, majority party budget writers drafted a new plan that actually makes it worse – doubling deficit spending to \$1.4 billion more than anticipated revenue.

The budget uses Enron-style accounting tricks to cover this deficit, spending nearly all of the state's reserves and relying on the sale of future tobacco settlement payments in exchange for one-time cash. Although the up-front money will be used to pay operating expenses over the next 14 months, taxpayers will be paying off the debt for the next 30 years.

I agree with state Treasurer Mike Murphy and the Attorney General Christine Gregoire who both have said this strategy is irresponsible. Frankly, it is credit card spending at its worst. Like a family that has maxed out their credit cards to buy food, in the end, they're out of money, they still have a family to feed, and now they have bills to pay from their mounting debt.

Perhaps the worst part is that the budget protects the state bureaucracy in Olympia while cutting spending for education, health care, public safety and services for the truly needy. There is no serious effort to reduce the size of government.

Families and businesses understand that they can't continue to spend more money than they have coming in, or they would be in deep financial trouble very soon. Somehow, government continues to ignore this basic fact. The budget that was approved this session by the Legislature increases spending by nearly 7 percent over the last biennium.

The results, once again, are predictable. Assuming we don't go in the red this year, this budget will leave taxpayers with a \$1 billion shortfall at the start of the next biennium.

Rep. Kirk Pearson, a member of the House Appropriations Committee, voices his concerns to other members of the committee about deep cuts to services for senior citizens.



Tobacco settlement raid: What others say

Here's what others are saying about the Legislature's plan to sell off a portion of the state's settlement with tobacco companies – money once earmarked to pay for health care services and anti-smoking efforts – for a one-time cash payment to fund state spending increases?

"too big a gamble for the state"

– *News Tribune* editorial (3/6/02)

"not sustainable"

– *Spokesman-Review* editorial (3/6/02)

"a disservice to our state's taxpayers"

– *Bremerton Sun* editorial (3/8/02)

"no real solution"

– *Seattle Times* editorial (3/6/02)

"suspect budgeting"

– *Yakima Herald-Republic* editorial (3/10/02)

"we'll pay a high price for this gimmick"

– *South County Journal* editorial (3/14/02)

"a bad deal for Washington taxpayers"

– Attorney General Christine Gregoire

"terrible fiscal policy"

– State Treasurer Mike Murphy

"They knew it was at least \$1 billion out of whack when they left."

– State Auditor Brian Sonntag

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THE UGLY

East county not the place for sex offenders

I greatly appreciate the cards, letters, e-mails and phone calls you sent to me this session over your concerns of House Bill 6594. I share those same concerns and pledge that I will do all that I can to prevent the Department of Social and Health Services (DSHS) from preempting local laws regulating the housing of level-three sex offenders.

For those of you who haven't been following this issue, this bill, which I vigorously opposed, holds a hammer over local governments in five counties, including Snohomish County. The measure gives DSHS the authority to supercede all county and local land-use control and place sex offenders anywhere they choose within those counties.

In the past, DSHS has suggested East Snohomish County for sex offender housing. We have successfully fought to keep it from being sited here. Even though the bill passed the Legislature, I fully intend to continue that fight.

"Over my dead body. I voted against this issue when it came through the House before. The reason I voted against it is because the county loses control over the site selection and security issues. If we have to do it, let locals decide."

— Rep. Kirk Pearson
Monroe Monitor, March 6, 2002



Capital budget raids school construction money

A \$2.5 billion capital budget was put forth which spends \$112 million more than the construction budget approved last year. State law limits bond debt to 7 percent of general revenue. Since the new construction budget didn't fit under the limit, the majority party raised the debt limit from \$245 million up to \$928 million.

Worthwhile as many of the projects are, I didn't feel that this is the time to be putting the state deeper into debt, especially since many in the private sector are cutting back, unemployment is the second highest in the nation, and our economic recovery is expected to be slower than the rest of the nation. I voted against the bonding measure.

I am particularly disappointed that \$43 million was raided from the state's school construction fund and placed into the capital budget for spending on projects other than public school construction. This budget takes money away from schools, mortgages the future of our children, and puts our state deeper into debt.

Jobs for Snohomish County

Boeing's layoff of 30,000 workers affects all of us in Snohomish County. From small mom-and-pop businesses, grocery stores to the sidewalk cafe, we all feel the impact.

One of my goals in the Legislature is to help Snohomish County become economically viable again. While others were looking at increasing taxes by repealing legislation that provides tax incentives to businesses, I was working at the other end, doing what I could to provide more incentives to create jobs.

I co-sponsored legislation to help B.F. Goodrich Aviation Technical Services preserve Snohomish County jobs through a tax reduction tied to workforce expansion.



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Transportation proposals *Statewide measure*

The decision on a statewide transportation proposal will be in the hands of voters in November.

The statewide measure would raise about \$7.7 billion over 10 years for transportation projects throughout the state through a variety of taxing sources.

Regional measure

The Legislature also took action to provide a regional transportation plan for the central Puget Sound area. This plan would allow voters in King, Pierce and Snohomish counties to raise up to \$11.4 billion in taxes over 10 years. Under this legislation, the three counties will form a regional transportation board to put a tax measure on the ballot that would pay for projects in these areas.

I voted against the regional plan legislation for several reasons:

- It gives the King County Council a larger weighted vote than Snohomish or Pierce counties which have a lesser population.
- Transit would likely siphon off the largest percentage of money, leaving roads second in line.
- King County would likely get most of the projects, while citizens in rural areas of Snohomish County, such as Granite Falls, Gold Bar and Darrington, would have to pay the higher taxes.

Statewide proposal

Revenue sources

- 9-cent increase in gas tax \$3.039 billion
- Highway bonds \$4.6 billion
- 1% sales tax on vehicles \$1.160 billion
- 30% truck weight fees \$233 million
- Sales tax on construction \$165.2 million
- Debt services and other costs (-\$1.461 billion)

How the money will be spent

- Highways \$5.44 billion
- Park-and-ride lots \$80 million
- Freight mobility \$116 million
- Auto ferries and terminals \$595.4 million
- Passenger-only ferries \$92.8 million
- Public transportation \$600 million
- Local transportation assistance \$330 million
- Commute trip reduction \$140 million
- Passenger rail \$197 million
- Freight rail \$95 million

Proposed regional plan

Highlights of revenue sources

- HOV and transit taxes \$5.5 billion
- Annual vehicle fee of up to \$100 \$2.4 billion
- Sales and use tax of up to 0.5 percent \$3.5 billion
- Tolls on new and reconstructed lanes To be determined

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